

# HOUSE BILL No. 5080

September 25, 1989, Introduced by Reps. Richard A. Young, Johnson, Bennett, Sparks, Wallace, DeMars and Griffin and referred to the Committee on State Affairs.

A bill to amend section 261 of Act No. 431 of the Public Acts of 1984, entitled as amended "The management and budget act," as amended by Act No. 504 of the Public Acts of 1988, being section 18.1261 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 261 of Act No. 431 of the Public Acts of  
2 1984, as amended by Act No. 504 of the Public Acts of 1988, being  
3 section 18.1261 of the Michigan Compiled Laws, is amended to read  
4 as follows:

5 Sec. 261. (1) The department shall provide for the purchase  
6 of, or the contracting for, the providing of supplies, materials,  
7 services, insurance, utilities, third party financing, equipment,  
8 TRAVEL ARRANGEMENT SERVICES, printing, and all other items as  
9 needed by state agencies for which the legislature has not

1 otherwise expressly provided. In all purchases made by the  
2 department, all other things being equal, preference shall be  
3 given to products manufactured or services offered by  
4 Michigan-based firms, where consistent with federal statutes.  
5 The department shall solicit competitive bids from the private  
6 sector whenever practicable to efficiently and effectively meet  
7 the state's needs. The department shall first determine that  
8 competitive solicitation of bids in the private sector is not  
9 appropriate before it shall use any other procurement method for  
10 an acquisition.

11 (2) The department shall make all discretionary decisions  
12 concerning the solicitation, award, amendment, cancellation, and  
13 appeal of state contracts.

14 (3) The department shall utilize competitive bidding for all  
15 purchases authorized pursuant to subsection (1) unless the  
16 department has determined that another procurement method is in  
17 the state's best interests.

18 (4) The department may delegate its procurement authority to  
19 other state agencies within dollar limitations and for designated  
20 types of procurements. The department may withdraw delegated  
21 authority upon a finding that a state agency did not comply with  
22 departmental procurement directives.

23 (5) The department may enter into lease purchases or  
24 installment purchases for periods not exceeding the anticipated  
25 useful life of the items purchased unless otherwise prohibited by  
26 law.

1           (6) The department shall issue directives for the  
2 procurement, receipt, inspection, and storage of supplies,  
3 materials, and equipment, and for printing and services needed by  
4 state agencies. The department shall provide standard specifica-  
5 tions and standards of performance applicable to purchases.